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DIRECTORATE OF INTELLIGENCE

## **MEMORANDUM**

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The Situation in Vietnam

State Department review completed

**Top Secret** 

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2 May 1967

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Information as of 1600 2 May 1967

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#### HIGHLIGHTS

Heavy fighting continues between US Marines and NVA units in northwestern Quang Tri. Communist losses in this week-long engagement now stand at more than 300.

- I. The Military Situation in South Vietnam: Communist losses have been heavy in the continued fighting in northwestern Quang Tri Province (Paras. 1-2). Elements of the US 4th Infantry Division engaged à Communist battalion in southwestern Pleiku Province, killing at least 60 enemy soldiers (Paras. 3-4). Allied troops of Operation MANHATTAN in Binh Duong Province have discovered additional Viet Cong base camps and have destroyed enemy arms and rice stores (Paras. 5-6). The security situation in the Mekong Delta province of Kien Hoa has deteriorated (Paras. 7-11).
- II. Political Developments in South Vietnam: Y B'ham Enoul, leader of the dissident montagnard movement, FULRO, arrived in Ban Me Thuot yesterday prepared to discuss his latest demands with a GVN delegation (Paras. 1-2). Demonstrations on May Day in Saigon by two labor confederations were largely without incident (Para. 3).

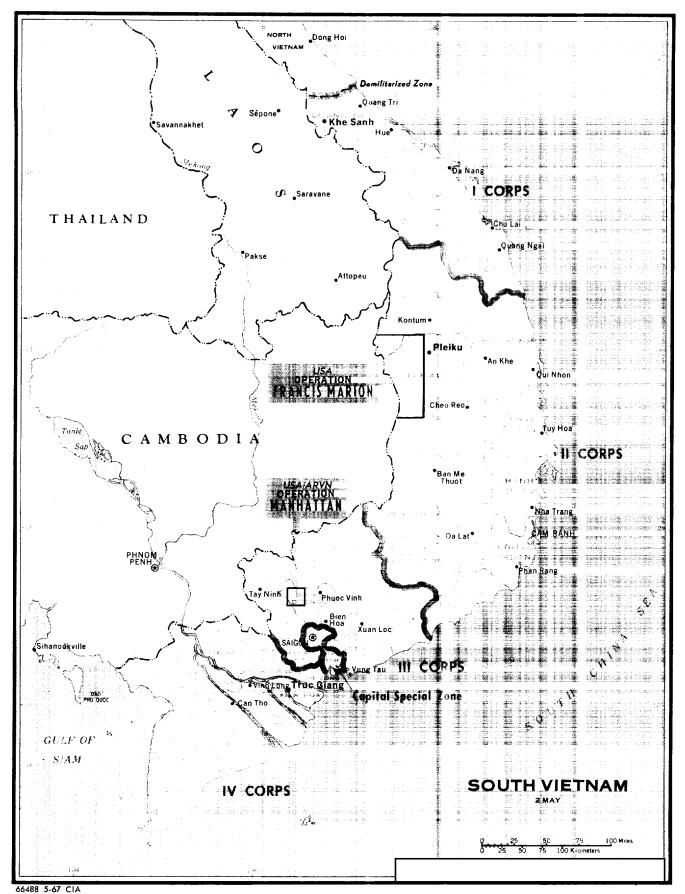
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V. Communist Political Developments: President
Ho Chi Minh has not been very active in the past two
months (Para. 1).

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### I. THE MILITARY SITUATION IN SOUTH VIETNAM

- 1. Heavy fighting in the past week between US Marines and North Vietnamese Army (NVA) forces near Khe Sanh in northwestern Quang Tri Province has resulted in a significant number of enemy casualties.
- 2. Communist losses in this week-long engagement total 333 killed, according to the latest reports from MACV. Press stories from a reporter on the scene, however, claim that the actual body countrigure is now 720 Communists killed. Cumulative American casualties to date are 96 killed and 277 wounded. The marines are apparently continuing to improve their positions against the enemy force, which has been attempting stubbornly to defend high points astride strategic infiltration routes.

### Action in the Highlands

- 3. Company-strength elements of the US 4th Infantry Division participating in the long-term border-surveillance Operation FRANCIS MARION in the highlands, yesterday encountered an NVA battalion well entrenched in bunkers and a cave complex about 48 miles southwest of Pleiku city. In a day-long battle of heavy fighting at least 60 NVA troops were killed. Initial US losses were reported as one killed and one wounded.
- 4. Documents found on an enemy soldier killed in the engagement revealed that the Communist battalion was part of the NVA 95B Regiment, a subordinate of the "B-3 Front"--the Communist command in the western highlands

tions suggest that this battalion may have been performing a defensive mission, possibly attempting

2 May 1967

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to protect a strategic supply route or a vital enemy position.

- 5. A US patrol participating in the large-scale allied search-and-destroy Operation MANHATTAN located another enemy base camp complex about 35 miles northwest of Saigon on 1 May. Included in the material captured were 76 mines, nearly 400 mortar rounds, 1,700 pounds of TNT, and more than 75,000 rounds of machine gun and small-arms ammunition. Several concrete bunkers also were found and destroyed. In a nearby area, another patrol discovered more than 100,000 pounds of rice and several bunkers. Northwestern Binh Duong Province—MANHATTAN's operational area—is believed to contain many such Communist base camps and supply/storage areas.
- 6. Since this 17-battalion US/South Vietnamese operation began its sweep of northwestern Binh Duong on 22 April, a total of 128 Viet Cong have been reported killed. In contrast American losses are reported as 29 killed and 175 wounded. Most of these casualties are the result of a series of small-scale encounters with enemy forces defending their more sensitive base areas.

#### The Situation in Kien Hoa Province

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7. Kien Hoa Province in the Mekong Delta, some 20 miles south of Saigon, remains a Viet Cong stronghold, Security conditions in the province have deteriorated over the past year, despite the presence of approximately 11,000 GVN troops. the Viet Cong now control virtually all of Kien Hoa outside of the provincial and district capitals and that, without exception, commercial traffic on all roads is subject to Communist "taxation."

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- 8. Kien Hoa continues to have the most active Viet Cong units in the delta and, as an indication of an increased Viet Cong threat, the US observers note that enemy tactics apparently have undergone a change. Harassments have decreased and heavy mortar fire against the provincial and district capitals has increased. Main force battalions, which in the past have used Kien Hoa for retraining and resupply, appear to be operating extensively in the province. There are reports that units new to the province have recently arrived. That main force units are responsible for much of the enemy activity is confirmed in part by the fact that Viet Cong bodies found after recent engagements have been wearing conventional military uniforms, a departure from the black peasant garb of enemy units in the The operations of main force units in the province may indicate a decline in the quality of local troops and leadership.
- 9. The Viet Cong also have become more aggressive in opposing allied aircraft, firing more often at forward air control planes that fly over their concealed positions.
- 10. In propaganda statements, the Viet Cong have promised to attack and overrun Truc Giang, the capital of Kien Hoa Province. US sources believe that a large-scale attack is possible, but that the Communists are unlikely to attempt to seize and hold a major town. In any case, the province chief has begun to take precautionary measures in and around the capital, such as the construction of new sand-bag emplacements and barbed-wide obstacles.
- 11. There were few Revolutionary Development (RD) gains in Kien Hoa in 1966, but somewhat better success is expected this year. RD resources will be concentrated in Ba Tri District, one of the more secure districts in the province.

## II. POLITICAL DEVELOPMETRS IN SOUTH VIETNAM

- 1. Y B'ham Enoul, leader of the dissident montagnard movement, FULRO, left his sanctuary in Cambodia as planned and arrived with a 60-man entourage in Ban Me Thuot yesterday to engage in negotiations with government representatives. The GVN negotiators--General Vinh Loc, commander of II Corps, and local deputies to the Constituent Assembly--were scheduled to meet with Y B'ham sometime today. Y B'ham was extremely chary of coming to Ban Me Thuot, but the Darlac Province chief reportedly prevailed upon him to do so, arguing that the present political climate was favorable for talks.
- The FULRO leader has brought a set of four points on which he hopes to obtain GVN agreement: 1) special legislation to recognize montagnard rights; 2) the right of FULRO to maintain its own armed forces; 3) the right of the montagnards to receive direct aid from their "friends" (i.e., the US); and 4) the right to have their own flag. The prognosis for meaningful negotiations on the basis of Y B'ham's four demands is not good, since these differ little from what he has been demanding unsuccessfully from the GVN for some For the GVN to accede to them would have the effect of creating an autonomous montagnard state in the western highlands -- something the government is unlikely to accept. Y B'ham had indicated that if the talks do not go to his liking he would leave Ban Me Thuot this afternoon. On the other hand, if the talks develop favorably he maintains that he will stay longer.

## May Day Demonstrations

3. May Day in Saigon was celebrated with rallies by two labor organizations, the majority Vietnamese Confederation of Labor (CVT) and the rival Vietnamese Labor Force for United Action (VLFUA). Each attracted about 2,000 persons, and went off without serious incident. A few of the 300 university students and other militant sympathizers who took part in the VLFUA rally attempted to start a parade which resulted in the

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detention of two students. The main themes emphasized at the VLFUA meeting were peace, freedom, and rice, with some banners calling for the respect of Vietnamese sovereignty by foreigners living in South Vietnam, protesting the hiring of third country nationals by Americans, and demanding the end to "indiscriminate" bombing. The only sign in English observed by embassy officers was one that said, "Stop the war." The VLFUA meeting was addressed by the deputy inspector general of the Labor Ministry, who read a message from Premier Ky.

**Next 3 Page(s) In Document Exempt** 

### V. COMMUNIST POLITICAL DEVELOPMENTS

1. Four of the top North Vietnamese leaders-Le Duan, Truong Chinh, Pham Van Dong, and Vo Nguyen
Giap--turned out for Hanoi's celebrations of May
Day, but President Ho Chi Minh did not. Ho has not
been very active in public ceremonies for the past
two months--he made two public appearances in midMarch and reportedly cast his ballot in local Hanoi
elections on 24 April

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though there has been no reliable confirmation that Ho is actually ill, he will be 77 on 19 May and it is possible that his age alone would cause occasional infirmities. Ho was very active throughout January and February of this year, visiting troops and economic installations, granting awards and medals, and receiving foreign delegations. Ho is known to take extensive vacations, frequently as long as six weeks, but they generally occur later in the year.

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